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Workgroup Consultation Response Proforma

CMP446: Increasing the lower threshold in England and Wales for Evaluation of Transmission Impact Assessment (TIA)

Industry parties are invited to respond to this consultation expressing their views and supplying the rationale for those views, particularly in respect of any specific questions detailed below.

Please send your responses to cusc.team@nationalenergygyso.com by **5pm** on **13 February 2025**. Please note that any responses received after the deadline or sent to a different email address may not receive due consideration.

If you have any queries on the content of this consultation, please contact milly.lewis@nationalenergygyso.com or cusc.team@nationalenergygyso.com

Respondent details	Please enter your details	
Respondent name:	Garth Graham	
Company name:	SSE Generation	
Email address:	Garth.graham@sse.com	
Phone number:	01738 456000	
Which best describes your organisation?	<input type="checkbox"/> Consumer body <input type="checkbox"/> Demand <input type="checkbox"/> Distribution Network Operator <input checked="" type="checkbox"/> Generator <input type="checkbox"/> Industry body <input type="checkbox"/> Interconnector	<input type="checkbox"/> Storage <input type="checkbox"/> Supplier <input type="checkbox"/> System Operator <input type="checkbox"/> Transmission Owner <input type="checkbox"/> Virtual Lead Party <input type="checkbox"/> Other

I wish my response to be:

(Please mark the relevant box)

☒ **Non-Confidential** (*this will be shared with industry and the Panel for further consideration*)

☐ **Confidential** (*this will be disclosed to the Authority in full but, unless specified, will not be shared with the Workgroup, Panel or the industry for further consideration*)

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For reference the Applicable CUSC (non-charging) Objectives are:

- a) *The efficient discharge by the Licensee of the obligations imposed on it by the Act and by this licence*;*
- b) *Facilitating effective competition in the generation and supply of electricity, and (so far as consistent therewith) facilitating such competition in the sale, distribution and purchase of electricity;*
- c) *Compliance with the Electricity Regulation and any relevant legally binding decision of the European Commission and/or the Agency **; and*
- d) *Promoting efficiency in the implementation and administration of the CUSC arrangements.*

* See Electricity System Operator Licence

**The Electricity Regulation referred to in objective (c) is Regulation (EU) 2019/943 of the European Parliament and of the Council of 5 June 2019 on the internal market for electricity (recast) as it has effect immediately before IP completion day as read with the modifications set out in the SI 2020/1006.

Please express your views in the right-hand side of the table below, including your rationale.

Standard Workgroup Consultation questions		
1	Do you believe that the Original Proposal and/or any potential alternatives better facilitate the Applicable Objectives?	Mark the Objectives which you believe each solution better facilitates:
		Original <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
		Alternative Request 1 <input checked="" type="checkbox"/> A <input checked="" type="checkbox"/> B <input type="checkbox"/> C <input checked="" type="checkbox"/> D
		We concur with the reasoning proffered for why the Original and the Alternative Request better facilitate the Applicable Objectives; noting that, in our view, the Alternative Request (based on the 'Export Capacity' definition) is the best option (when compared with either the Original or the Baseline).
2		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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	Do you support the proposed implementation approach?	Click or tap here to enter text.
3	Do you have any other comments?	<p>We would wish to highlight the need for much greater transparency; on the part of the NESO, TOs and DNOs; of many of the items that the Workgroup have been examining, if the benefits of CMP446 are to be fully realised.</p> <p>In this regard, we are mindful that the UK Government and Ofgem established the Energy Data Taskforce, noting that:</p> <p><i>“The government and Ofgem have endorsed the Energy Data Taskforce’s recommendations.”</i></p> <p><u>Modernising Energy Data - GOV.UK</u></p> <p>In this respect, as noted in the Introduction to the Energy Data Taskforce report:</p> <p><i>“At the core of the Taskforce recommendations are the principles that the sector should be Digitalising the Energy System and that in order to maximise value, <u>Energy System Data should be Presumed Open</u>”</i> [emphasis added]</p> <p>As the Energy Minister noted, in the Forward to the Taskforce report:</p> <p><i>“Data is fundamental to the future of our economy, which is why it is the focus of one of the Grand Challenges in our Modern Industrial Strategy. In the power sector, it is the key to unlocking system and consumer benefits and managing the fast approaching challenges of flexibility, resilience and costs in the most efficient way”</i></p> <p>Of particular relevance to our colleagues from the network community is the following, from the Taskforce:</p> <p><i>“Energy System Data that has value to the wider system and has been generated by monopoly or consumer subsidy should be available for the benefit of the ‘system as a whole’.”</i></p> <p>In summary the Taskforce identified many benefits from data transparency, examples of which include:</p> <ul style="list-style-type: none"> (i) Improving operation of the system, (ii) Optimising operation of the system, (iii) Optimising across energy vectors, (iv) Unlocking the flexibility market, (v) Enabling clarity across the multiple actors in the system, (vi) Securing the new Energy System,

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		<p>(vii) <i>Regulatory oversight and risk assessment,</i> (viii) <i>Optimising procurement and cost reduction,</i> (ix) <i>Opening the system to new markets and better price discovery,</i> (x) <i>Data visibility creates opportunity for all, and</i> (xi) <i>Attracting new players to the sector.</i></p> <p>The Taskforce helpful also identified the detrimental effects of not providing full transparency, examples of which include:</p> <p>(a) <i>Slower more expensive transformation,</i> (b) <i>Fragmented datasets reducing efficiency,</i> (c) <i>Increased risk to system stability, and</i> (d) <i>Reduced innovation.</i></p> <p>The negative effects, from a lack of energy data transparency, was summarised by the Taskforce, in the following terms:</p> <p><i>“The value of data is not being maximised: innovation is being stifled, the system is less efficient, and the consumer is worse off”</i></p>
4	Do you wish to raise a Workgroup Consultation Alternative Request for the Workgroup to consider?	<input type="checkbox"/> Yes (the request form can be found in the <u>Workgroup Consultation Section</u>) <input checked="" type="checkbox"/> No
5	Does the draft legal text satisfy the intent of the modification?	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>Noting that the legal text is still <i>work in progress</i>, it appears to satisfy the intent of the modification.</p>
6	Do you agree with the Workgroup’s assessment that the modification does not impact the European Electricity Balancing	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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	Regulation (EBR) Article 18 terms and conditions held within the Code?	Click or tap here to enter text.
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Specific Workgroup Consultation questions

7	Do you believe that a codification of Scotland threshold is required for CMP446?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text. Taking into account the clearly identified benefits from CMP446 that arises from codification, alongside the need to avoid discrimination as well as the requirements of 'good industry practice', it would be appropriate to provide users in Scotland with those same benefits.
8	Is it clear that the change in threshold is cumulative not incremental?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text.
9	Do you believe 5MW is the correct threshold and if not why and to what threshold level should it be? (Providing rationale and justification for any alternative MW threshold)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Click or tap here to enter text. Taking into account the evidence in the annex to the proposal form, the level of 5MW appears to be correct.
10	Are there any other generic scenarios (over and above those shown in Figure 2 and Figure 3 (Annex 7) that	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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	need to be considered by the Workgroup, please provide details of them and explain why they are relevant?	<p>The following scenario may be relevant for the Workgroup to consider:</p> <p>Existing demand connection (say 10MW import) that adds between 5 -10MW generation with an export between 0 – 10MW).</p> <p>For example:</p> <ol style="list-style-type: none"> 1. 10MW gen, 0MW export 2. 10MW gen, 4 MW export 3. 5MW gen, 5MW export
11	It is intended that where there is a fault level headroom that is less than 1kA or zero as stated by NGET at a GSP, then a project is required to go through the TIA irrespective of the change in threshold (from 1MW to 5MW) – do you agree with this and if not, why?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Click or tap here to enter text.</p> <p>There is currently a lack of transparency, for stakeholders, of the relevant GSPs and as such it has not been possible for us to assess how many of the ~390 projects would be negatively impacted by this proposed approach; whereby they are 'given with one hand' (of not needing to be subject to a TIA) by virtue of being sub 5MW only for it to be 'taken away with the other hand' (where they will be subject to a TIA, as they are, unbeknown to them, connecting to a GSP to which this less than 1kA approach applies).</p> <p>If there is transparency (i) of all the existing GSP to which this approach would apply and (ii) a codified requirement for this transparency to be maintained, in terms of any other affected GSPs, then we would agree. In addition, it should be made transparent as to the amount of fault contribution that a generator makes to the system.</p>
12	Do you agree that the Workgroup has identified the relevant risks if CMP446 is approved. If not, what further risks haven't been identified yet, and why are they relevant?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We appreciate that in general, the NETS will always be impacted by any device connected to it - because the whole system is one integrated mechanism. Therefore, any device and/or system characteristic thresholds need to be defined in order to avoid the</p>

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		<p>modelling/data analysis becoming unwieldy. Ultimately the Transmission and Distribution system modelling will need to ensure that they are using sufficiently robust data to predict the thermal, fault level and dynamic performance.</p> <p>As this modification aims to reduce the burden for smaller generation schemes in the context of the above, there is a risk that it ultimately may limit the ability of the system to accommodate bigger schemes.</p> <p>Additionally, there is a risk that behind the meter developers would see this change in threshold as an opportunity to 'oversize' their smaller schemes when it isn't strictly required to meet the needs of the customer. This will then be met with unnecessary reinforcements/resources spent on relatively insignificant projects in the context of CP30 goals, with the resulting risk of undermining CP30 delivery.</p>
13	Do you believe that as consequence of CMP446 there will be an increase in >5MW projects which is likely to have an impact on the Transmission Network? If so, what kind of projects could drive this?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We cannot definitively answer this point.</p> <p>However, we would observe that where obligations are amended, we would expect market participants (as well as network operators and owners) to amend their behaviour accordingly.</p> <p>Whether this does or does not have positive or negative consequences will depend on how all the affected parties; generation users, demand users, the NESO, TOs, DNOs and iDNOs; respond to this change (if it is approved).</p> <p>Furthermore, we observe that projects >5MW will still need to follow the same process as is currently the case. It remains to be seen (if CMP446 is approved) whether that means developers reduce their sizes to below 5MW to avoid TIA (reducing the number of projects > 5MW); or if developers will instead think that if they need a TIA, then they might as well seek to connect a project much bigger than 5MW.</p>
14	Do you have any suggestions for any additional mitigation	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>

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	measures for the identified risk?	<p>Notwithstanding our comments under Question 3 above, regarding transparency in general, we would wish to suggest additional mitigation measures are required in respect the data used in systems modelling to ensure it is robust and transparent to all users.</p> <p>In addition, clarity and transparency of the procedures being followed by i) NESO ii) TOs iii) DNOs and iv) iDNOs is required to ensure a consistency of approach is applied by all these network parties and thus avoiding any risk of misinterpretation by one of the four network parties adversely affecting the connecting party.</p>
15	Do you understand that as a consequence of CMP446 that the curtailment assumptions for an accepted Technical Limits offer could be impacted?	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>We note the reference to Technical Limits and the visibility of one of the two associated rulebooks (footnote 29). However, a lack of transparency of the totality of the situation (such as how each DNO practically applies the non-visible rulebook in terms of their LIFO queue etc., as well as which GSPs are impacted) impedes us from answering this question.</p> <p>In terms of the Embedded Capacity Register (ECR), we note that at recent meetings of the DCUSA Standing Issues Group (SIG) in November 2024 and January 2025, several ECR change requests were raised by three different companies, seeking to make the ECR more useful for developers of distribution-connected projects. Details can be found at the Standing Issues Group (SIG) - DCUSA page. We would ask that these change requests are addressed, at pace, in order to maximise the network benefits as well as the benefits to consumers, of this CMP446 change.</p> <p>That having been said, the reference to 'enduring non-firm' connection going forward on a case by case basis would be a retrograde step (and was not our understanding of what the CBD paper, in the annex to the proposal form, identified as the way to proceed).</p> <p>Nevertheless, if such 'enduring non-firm' connections are made (on a case by case basis) going forward, then in order the maximise both</p>

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		<p>the efficiency of the network and the benefit to consumers, it will be necessary to ensure full transparency of this data to all stakeholders.</p> <p>Notwithstanding all of the above, it is our understanding that the currently ongoing DCP442 change seeks to put an end to the 'enduring non-firm' connection option created under the Access SCR - so there is at least a possibility that this option will cease to be available, only to be replaced with the 'flexible connection' option which doesn't offer connectees the same level of protection regarding their curtailment arrangements. Whilst the outcome of this DCP442 proposal is currently unknown, it could be relevant for CMP446 in the context of enduring non-firm connection at Distribution level.</p>
16	Is the timeline of interactions understood?	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Click or tap here to enter text.</p>
17	Do you believe it is appropriate/ within scope of CMP446 for the Workgroup to consider this further, and if so why?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>We note the Workgroup's deliberations on High Voltage connections and believe it would not be appropriate for this to be considered further at this time.</p> <p>In our view this proposal should apply to any project that falls under the proposed 5MW threshold level, irrespective of the connecting voltage (in the context of not needing a TIA).</p> <p>Additionally, we note that the connection voltage of the generation will impact the fault level and trip voltage drop at the transmission voltage level – i.e. this should not just be a thermal limit issue.</p>